SOUTHEASTERN CONNECTICUT CULTURAL COALITION

P.O. Box 95, New London, CT 06320 | (860) 448-5135 | info@CultureSECT.org | www.CultureSECT.org

March 2, 2021

Testimony for SB 146: AN ACT AUTHORIZING SPORTS WAGERING, ONLINE CASINO GAMING, ONLINE LOTTERY AND ONLINE KENO.

Dear Co-Chair Rep. Horn, Co-Chair Senator Bradley, Vice-Chair Senator Osten, Vice-Chair Rep. Dathan, Vice-Chair Rep. Paolillo, and esteemed members of the Public Safety and Security Committee,

The Southeastern CT Cultural Coalition is a nonprofit organization that serves more than 550 arts, cultural and creative businesses in 42 towns in eastern CT.

The Cultural Coalition serves as the "voice" of the arts and cultural sector and the liaison between the sector and leadership entities invested in regional revitalization, and we provide core services to connect, strengthen, and advocate for the arts and cultural community. From sole proprietors, artists and small volunteer-run organizations, to historical societies and sites and professionally staffed museums, tourist attractions and arts centers, the Coalition serves all of eastern CT and includes a diverse cross section of nonprofit and for-profit businesses, individual artists, groups and organizations.

There are two reasons we are testifying on this bill: 1) The Mashantucket and Mohegan tribal reservations and venues are located in eastern CT, and have an enormous positive impact on the arts, culture and tourism landscape and economy here and across CT by attracting millions of visitors annually to eastern CT and supporting thousands of jobs and 2) a small portion of the new revenue through passage of this bill will impact the arts, culture and tourism industries.

We support this bill with a modification to invest the portion of this revenue into the Tourism Fund. This will not impact the overarching purpose of the bill - sports wagering, online casino gaming, online lottery and online keno in this state - but will enhance the overall effects.

In its draft form, the bill states:

(1) Eight per cent of the gross gaming revenue from sports wagering authorized under sections 2, 3, 5 and 6 of this act, provided ten per cent of such payments, or twenty million dollars, whichever is less, shall be transferred from the General Fund each fiscal year to the state-wide tourism marketing account, established pursuant to section 10-395a of the general statutes; and (2) ten per cent of the gross gaming revenue from online casino gaming authorized under sections 2 and 4 of this act.

The "state-wide tourism marketing account" was created in 2006 in section 10-395a of the general statutes to invest in the state's tourism marketing campaigns. However, this statute was replaced with 10-395b in 2017 to create the Tourism Fund, which invests more broadly in the arts, culture, and tourism industries - the ecosystem - and serves as Connecticut's investment mechanism in these assets.

Through the Tourism Fund, CT invests 40% in arts and cultural asset development and 60% in statewide marketing and promotion of those assets and tourism-related activities. Further, funding to the CT Office of the Arts (aka "Arts Commission") and CT Humanities (aka "Connecticut Humanities Council") are additionally

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leveraged and matched by the National Endowment for the Arts and National Endowment for the Humanities. Both organizations provide hundreds of grants through a competitive grant process to organizations and initiatives that reach every municipality.

Strengthening the Tourism Fund is critical to eastern CT's arts and cultural sector's recovery and health. The latest improvement is outlined in HB 6119 this legislative session, which renames the fund as the "Arts, Culture and Tourism Fund" and requires that 40% is invested in arts and culture and 60% in tourism. This represents three years of thoughtful and collaborative discussion by these industries through a variety of public and private committees and panels, from the Governor Lamont's Transition Arts, Culture & Tourism Policy Committee and the Speaker's Blue Ribbon Panel on Tourism, These changes were much needed and deserved pre-pandemic, but with covid-19 are now essential.

The pandemic has devastated Connecticut's arts, cultural and tourism economy impacting thousands of jobs, shuttering venues, and halting international and national leisure and business travel. It will take many years to rebuild this important sector of our state's economy. SB 146 and HB 6119 help do that.

The creative economy has lost an estimated \$2.4B in revenue with unemployment or underemployment reaching 60%. (Americans for the Arts, 2021, covid19 impact on creative economy, CT report)

Investing in our arts, culture and tourism assets as well as in statewide tourism marketing creates widespread benefits in all of our communities, from fellowships for individual artists, to strengthening our cities, where many of the state's arts and tourist attractions are established, to grants for historic museums, strategic marketing campaigns, to afterschool programs. Further, according to the National Assembly of State Arts Agencies, six states already have allocated a portion of gaming revenue to arts and culture.

We support SB 146 and our tribal partners.

Sincerely,

Wendy Bury

Executive Director

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General Assembly

Proposed Bill No. 6119

January Session, 2021



Referred to Committee on COMMERCE

Introduced by:

REP. PARKER, 101st Dist.

AN ACT CONCERNING ARTS, CULTURE AND TOURISM FUNDING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 That the general statutes be amended to (1) increase, from ten per cent
- 2 to twenty-five per cent, the portion of room occupancy tax revenue
- 3 directed to the Tourism Fund each quarter, (2) require that forty per cent
- 4 of money in the tourism fund be allocated to arts and culture and sixty
- 5 per cent of such money be allocated to tourism, (3) change the name of
- 6 the Tourism Fund to the Arts, Culture and Tourism Fund, and (4)
- 7 change the name of the "Statewide Marketing" budget line to "Statewide
- 8 Tourism Marketing".

Statement of Purpose:

To strengthen the arts, culture, and tourism sector in Connecticut by directing additional funds into the Tourism Fund, renaming the fund to better represent the full scope of the sector and ensuring equitable funding among arts, culture, and tourism initiatives.